



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

CECIL CHRISTENSEN MD
1200 BINZ #1430
HOUSTON TX 77004

Respondent Name

TEXAS MUTUAL INSURANCE CO

Carrier's Austin Representative Box

Box Number 54

MFDR Tracking Number

M4-09-8513-01

MFDR Date Received

MAY 18, 2009

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "20680-59: Not paid by fee schedule & separate incision; 29870: Scoped prior to decision for 29881; and 29881: Decision for this procedure made after 29870 & not paid by fee schedule."

Amount in Dispute: \$1,045.76

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Texas Mutual's claims paying system reduced the amount of reimbursement of the treatment rendered by Cecil M. Christensen, M.D., due to participation in a PPO network through Focus/First Health...Further, according to Medicare's National Correct Coding Initiative (CCI) Edits procedure code 29870 is a component code of 29881; therefore, no separate payment is due for code 29870. For this reason Texas Mutual believes no further payment is due."

Response Submitted by: Texas Mutual Insurance Co.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 30, 2008	CPT Code 20680-59	\$208.93	\$208.93
	CPT Code 29870	\$486.56	\$0.00
	CPT Code 29881	\$350.27	\$350.27
TOTAL		\$1,045.76	\$559.20

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.203, effective March 1, 2008, sets the reimbursement guidelines for the disputed service.

3. 28 Texas Administrative Code §134.600, requires preauthorization for specific treatments and services.
4. 28 Texas Administrative Code §133.4, effective July 27, 2008, requires the insurance carrier to notify providers of contractual agreements for informal and voluntary networks.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- CAC-W7-Payment of interest/penalty to provider.
- CAC-45-Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
- CAC-59-Processed based on multiple or concurrent procedure rules. (For example multiple surgery or diagnostic imaging, concurrent anesthesia.)
- CAC-97-The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 329-Allowance for this service represents 50% because of multiple or bilateral rules.
- 435-Per NCCI edits, the value of this procedure is included in the value of the comprehensive procedure.
- 793-Reduction due to PPO contract. PPO contract was applied by Focus/First Health.
- CAC-W4-No additional reimbursement allowed after review of appeal/reconsideration.
- 891-The insurance company is reducing or denying payment after reconsideration.
- CAC-18-Duplicate claim/service.
- 878-Duplicate appeal. Request medical dispute resolution through DWC for continued disagreement of original appeal decision.

Issues

1. Does the documentation support notification requirements in accordance with 28 Texas Administrative Code §133.4?
2. Is the value of CPT code 29870 included in the value of another procedure rendered on the disputed date of service? Is requestor entitled to reimbursement?
3. Is the requestor entitled to additional reimbursement for CPT codes 20680-59 and 29881?

Findings

1. 28 Texas Administrative Code §133.4(g) states “Noncompliance. The insurance carrier is not entitled to pay a health care provider at a contracted fee negotiated by an informal network or voluntary network if:
 - (1) the notice to the health care provider does not meet the requirements of Labor Code §413.011 and this section; or
 - (2) there are no required contracts in accordance with Labor Code §413.011(d-1) and §413.0115.”

On October 21, 2010, the Division requested a copy of the written notification to the health care provider pursuant to 28 Texas Administrative Code §133.4. No documentation was provided to sufficiently support that the respondent notified the requestor of the contracted fee negotiation in accordance with 28 Texas Administrative Code §133.4(g).

28 Texas Administrative Code §133.4(h) states “Application of Division Fee Guideline. If the insurance carrier is not entitled to pay a health care provider at a contracted rate as outlined in subsection (g) of this section and as provided in Labor Code §413.011(d-1), the Division fee guidelines will apply pursuant to §134.1(e)(1) of this title (relating to Medical Reimbursement), or, in the absence of an applicable Division fee guideline, reimbursement will be based on fair and reasonable reimbursement pursuant to §134.1(e)(3) of this title.”

The Division concludes that the respondent's is not entitled to pay the requestor at a contracted fee reduction; therefore, the disputed services will be reviewed per applicable Division rules and guidelines.

2. According to the explanation of benefits, the respondent denied reimbursement for CPT code 29870 based upon reason code “CAC-97.”

28 Texas Administrative Code §134.203 (b) states “For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

- (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.”

Per Medicare's CCI edits, CPT code 29870 is a component of CPT code 29881; however, a modifier is allowed to differentiate the service. A review of the submitted billing does not support a modifier was used to differentiate the service. As a result, reimbursement cannot be recommended.

3. Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.
 (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2008 DWC conversion factor for this service is 66.32.

The Medicare Conversion Factor is 38.087

Review of Box 32 on the CMS-1500 the services were rendered in Houston, Texas.

Using the above formula, the Division finds the following:

Code	Medicare Participating Amount	MAR	Total Paid	Total Due
20680	\$552.08	\$480.66	\$262.91	Difference between MAR and amount paid is \$217.75, requestor is seeking \$208.93
29881	\$608.35	\$1,059.31	\$410.17	Difference between MAR and amount paid is \$866.89, requestor is seeking \$350.27

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$559.20.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$559.20 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

 Signature

 Medical Fee Dispute Resolution Officer

 Date

03/20/2014

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.**

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.